#### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

### MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress 1

[Date approved: November 8, 2005]<sup>2</sup>

Bill No. and sponsor: H.R. 2438 (Mr. Tim Murphy of Pennsylvania).

Proponent name, location: LANXESS Corp., Pittsburgh, PA.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Hydrazine hydrate (CAS No. 302-01-2) (provided for in subheading 2825.10.00).

Check one:

Same as that in bill as introduced.X Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

The subject product, imported from Germany, is an inorganic chemical used as an intermediate to make chemicals used in crop protection, in the manufacture of medicines, in the production of foam plastics, and in the corrosion protection of pipes.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2825.10.00</u>							
$\searrow$	2005	2006	2007	2008	2009		
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%		
Estimated value <i>dutiable</i> imports	\$12,240,000	\$12,240,000	\$12,240,000	\$12,240,000	\$12,240,000		
Customs revenue loss	\$452,880	\$452,880	\$452,880	\$452,880	\$452,880		

Source of estimated dutiable import data: Industry estimates.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

#### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?	
			(Yes/No)		
LANXESS Corp. (proponent) Steve Ziehm Tel: 202-872-8181	9/13/2005	No	No	No	
Arch Chemicals Jack Schoen Tel. 203-229-2900	9/16/2005	Yes	Yes	Yes	
Optima Chemicals Al Horner Tel: 912-384-5101	9/16/2005	No	No	No	

#### **Technical comments:**<sup>3</sup>

The Commission suggests that the article description on page 1 of this report be used because it contains the correct capitalization.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

# H.R. 2438

To suspend temporarily the duty on Hydrazine Hydrate.

#### IN THE HOUSE OF REPRESENTATIVES

May 18, 2005

Mr. Murphy introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To suspend temporarily the duty on Hydrazine Hydrate.

1 Be it enacted by the Senate and House of Representa	ta-
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- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. HYDRAZINE HYDRATE.
- 4 (a) IN GENERAL.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.05.70	Hydrazine Hydrate (CAS No. 302–01–2) (provided for					
		in Subheading 2825.10.00)	Free	No change	No change	On or before 12/31/2009	,,.

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

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